

W. Scott Randolph
Director – Regulatory Affairs



November 15, 2002

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Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 Twelfth Street, S.W.
Washington, DC 20554

Ex Parte: Review of the Section 251 Unbundling Obligations of Incumbent Local Exchange Carriers – CC Docket No. 01-338; Implementation of the Local Competition Provisions in the Telecommunications Act of 1996 - CC Docket No. 96-98; Deployment of Wireline Services Offering Advanced Telecommunications Capability – CC Docket No. 98-147

Dear Ms. Dortch:

On November 15, 2002, Charles Kiederer, Augie Trinchese, Ed Shakin, Dee May and the undersigned met with Brent Olson, Rob Tanner, Ben Childers, Daniel Shiman, Jeremy Miller and Ian Dillner of the Wireline Competition Bureau and Jeff Goldthorp of the Office of Engineering and Technology. We discussed the various alternatives CLECs have to the UNE platform, including resale, bypass of the ILEC network, collocation and various transport scenarios.

We also discussed the implications of using GR-303 IDLC architecture for transport purposes. We explained that Verizon has very little of this technology in its network today, that there are currently no business or economic reasons for Verizon to deploy it in the future, and that GR-303 IDLC was not developed as a stand-alone transport capability. Despite the claims that WorldCom made in its comments in this proceeding that the New York Commission directed Verizon to provide concentrated EELs, the New York offering does not contemplate that Verizon would construct a concentration infrastructure to transport CLEC loops. Rather, the CLEC would provide the concentrator equipment and place it in the central office under a virtual collocation arrangement. To date, no CLEC, including WorldCom, has requested this arrangement.

Please associate this notification with the record in the proceedings indicated above. If you have any questions regarding this matter, please call me at (202) 515-2530.

Sincerely,

A handwritten signature in black ink, appearing to read "W. Scott Randolph".

W. Scott Randolph

Attachment

cc: Brent Olson
Rob Tanner
Jeremy Miller
Ben Childers
Ian Dillner
Daniel Shiman



Triennial Review

November 15, 2002

Agenda

- **Alternatives**
- **Technical Overview of Loop Concentration**
- **EELs with concentration – The NY Story**



Alternatives

- **Resale**
 - Provides comparable features/functions
 - Supports CLECs “innovative offerings”
- **Bypass (new construction, cable networks and wireless)**
- **Collocation**
 - Virtual or physical

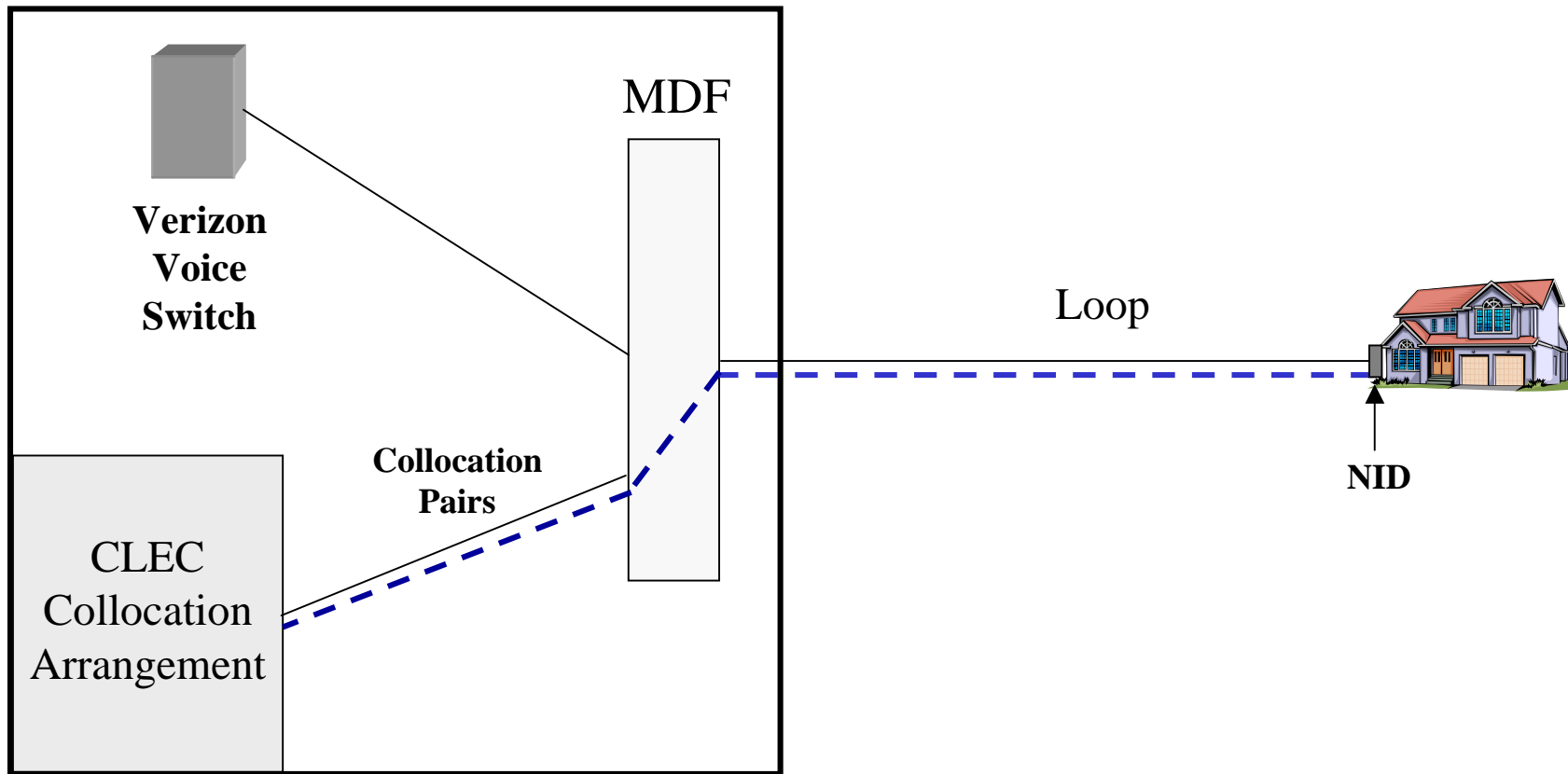


Physical / Virtual Collocation

- **Encourages facility based competition – Public Policy Goal**
- **Used today**
 - **CLEC have obtained 7,000 collocation arrangements in Verizon's central offices as of EOY 2001 providing access to 78 percent of Verizon's access lines**
 - **Hot Cut Performance**
 - **Project based conversions**
 - **Verizon routinely achieves 95 percent performance**
 - **Improved Hot Cut process (WPTS)**

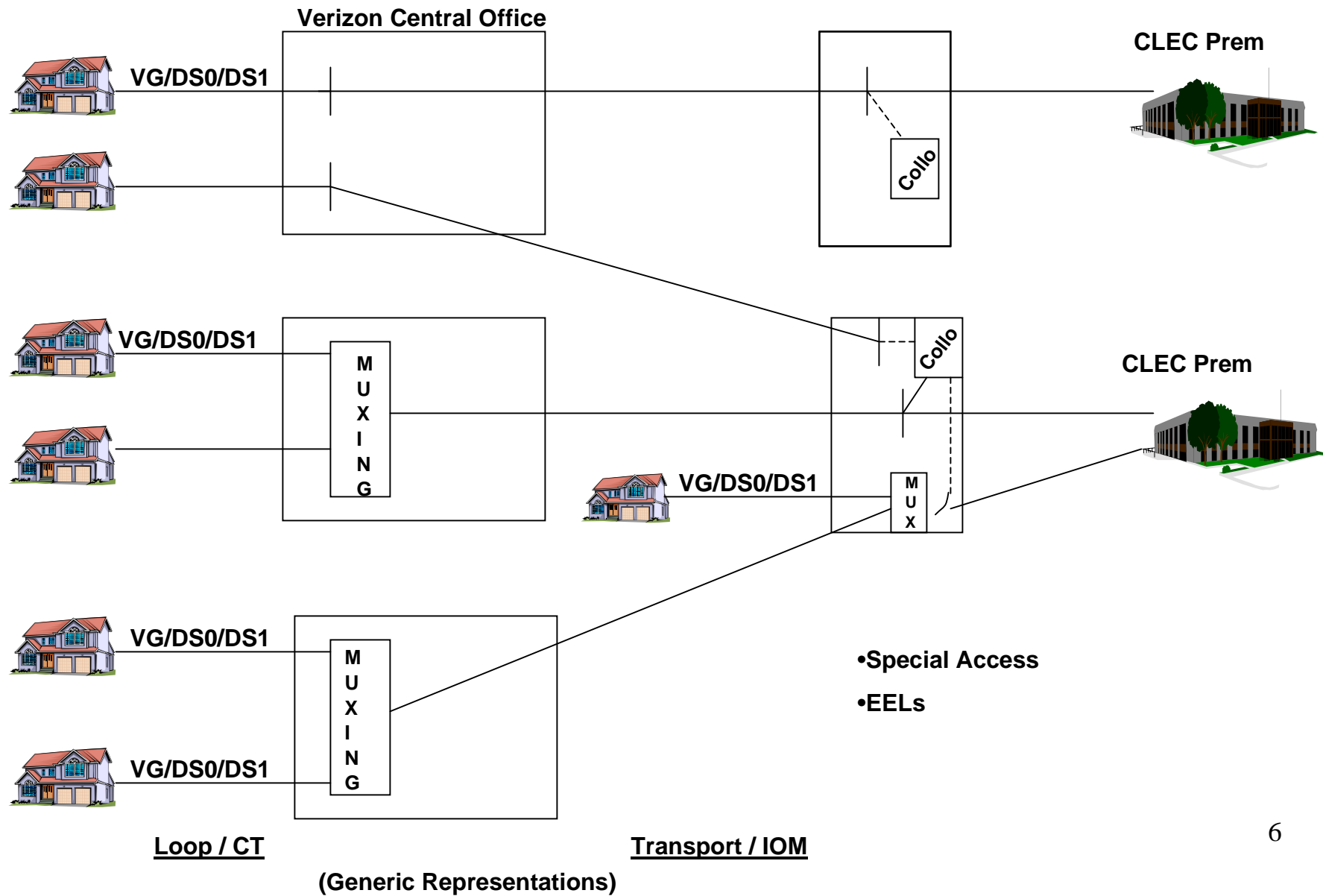


UNE Loop To Collocation



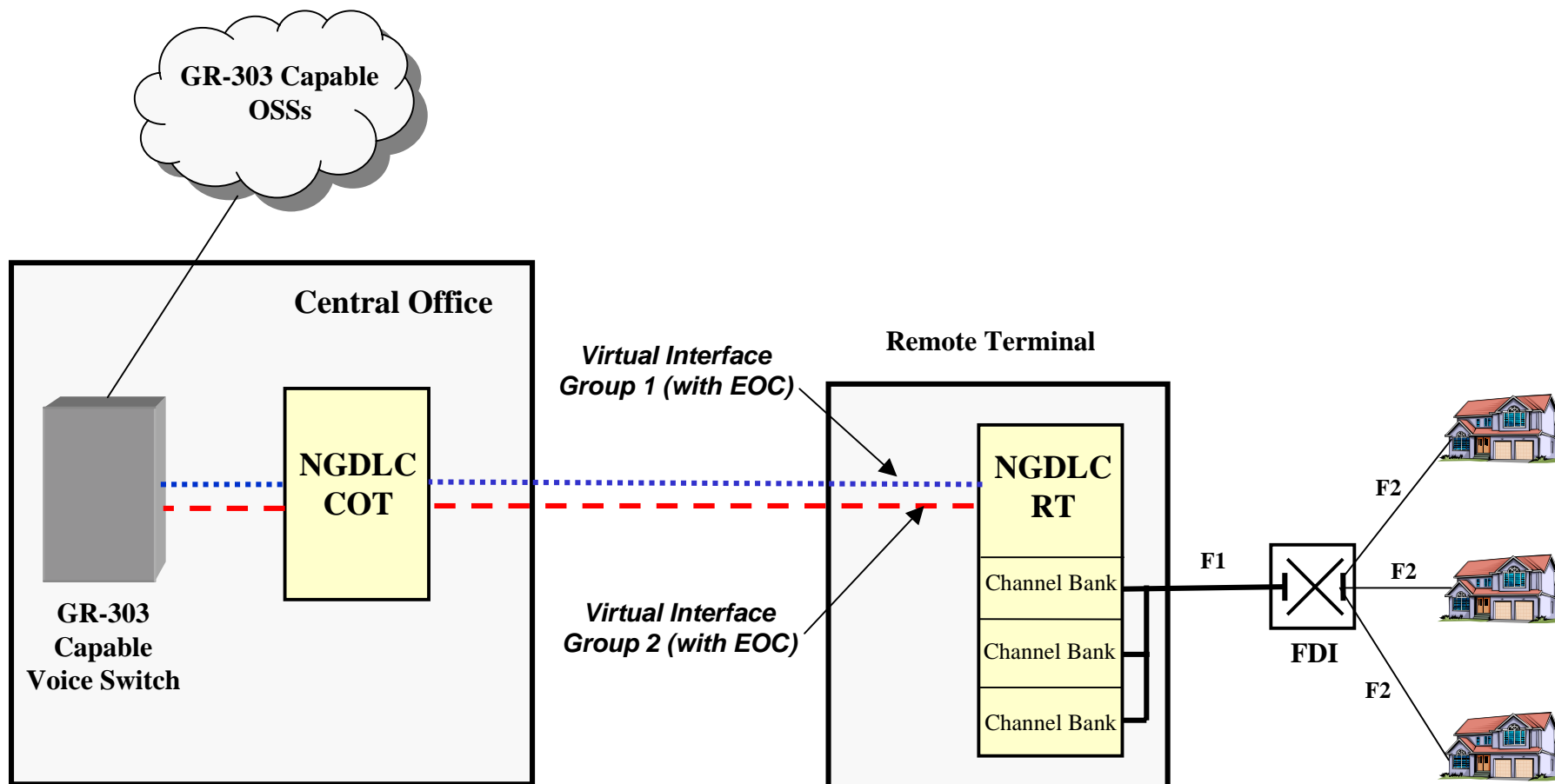


Loop Transport Scenarios





GR-303 IDLC Architecture



Note 1 – Customer lines can be dynamically assigned to Virtual Interface Group 1,2,...N based on load balancing, traffic characteristics, etc.

Note 2 – Each Virtual Interface Group has a dedicated Embedded Operations Channel (EOC) between the RT and the Switch.

GR-303 IDLC

- Introduced in late 1980s by Bellcore as generic interface
- Required interoperability testing between switch and RT vendors
- Products introduced in mid-1990s
- Remote Line Concentration enabled by allocation of DS1 facilities (RT-Switch)
- Fewer switch ports required
- Traffic can be dynamically allocated over *virtual interface groups*
- ISDN can be integrated
- Requires incremental investment in OSSs



IDLC Implication

- GR303 IDLC is not a stand alone transport capability
- IDLC Efficiency is gained when integrated with high speed digital switch interface
- IDLC requires physical grouping of DS1s for interface groups (for redundancy, signaling, etc.)
 - IDLC hand-offs (of DS1s) would require 2 DS1s (even for a single voice channel)
 - Dedicated GR-303 IDLC hand-offs impact RT system capacity
- Number of GR-303 *virtual interface groups* is limited (product specific)
- System control of GR-303 products cannot currently be partitioned across different carriers
- Security and administrative/control issues related to *multi-carrier* GR-303 access

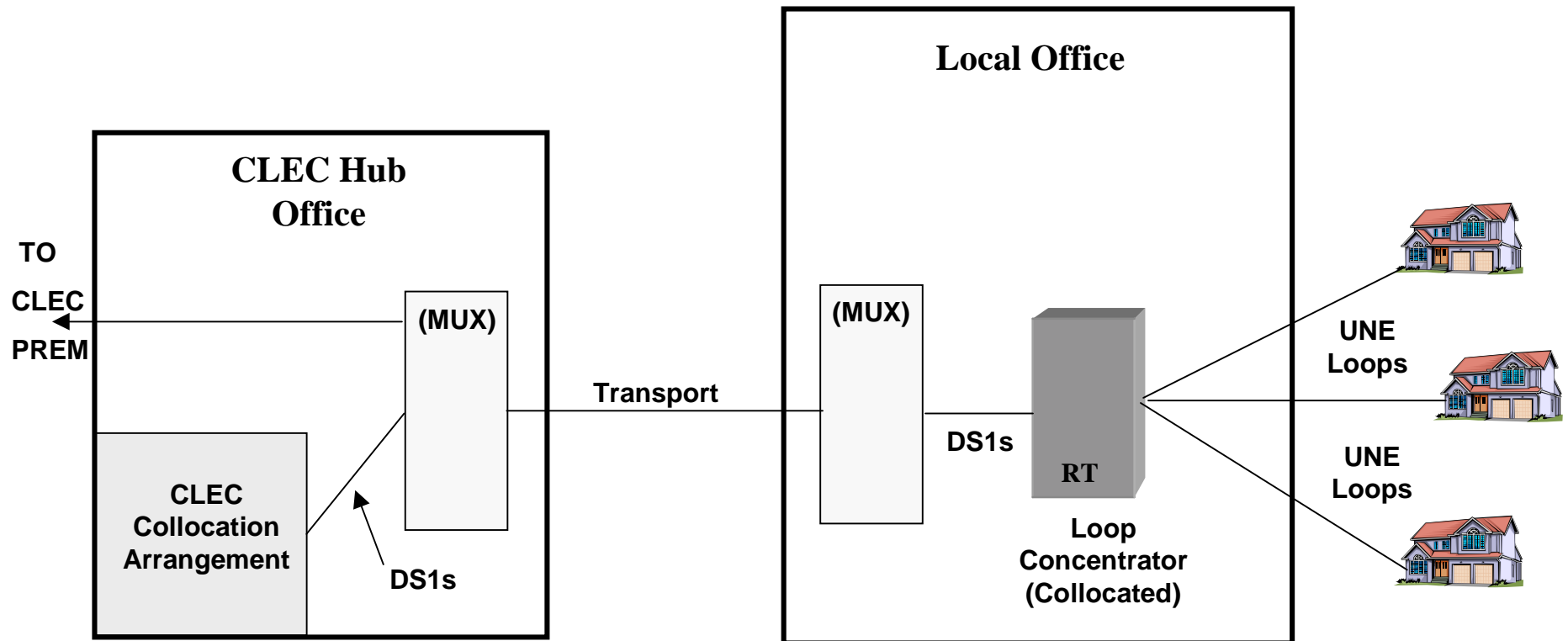


EELs with Concentration – The NY Story

- **In the New York pre-filing Statement (PFS), Verizon committed to providing EELs (loop/transport combinations) with multiplexing where required and with concentration when technically feasible to do so**
- **The PFS embodied a series of commitments made by Verizon in connection with the state §271 proceeding**
- **The PFS UNE and UNE combination commitments were made at the time when the FCC's UNE and combination rules were vacated.**
- **Under the PFS, the transport end of an EEL could terminate at either a collocation cage or a CLEC premises**
- **Verizon's offer of EELs with concentration:**
 - **CLEC owns the concentrator and leases it to Verizon for \$1.00**
 - **CLEC will remove the concentrator when the EEL arrangement is disconnected**
 - **Verizon will exercise exclusive control over the EEL in its central office**
 - **CLEC must monitor and perform surveillance on the EEL with concentration**
 - **Verizon will not be responsible for blockage or various other performance attributes**
 - **Concentrator must be GR303 compatible**
 - **Concentrator is dedicated to one CLEC**
 - **All terms and conditions are those embodied in the PSC No. 8 Tariff for virtual collocation**



Potential Loop Concentrator Architecture



Note - COT functionality provided by CLEC at Hub Office

Summary

- **Collocation is most supportive of facilities based competition policy goal**
- **VG/DS0 to DS1 muxing is technical feasible and available today**
- **Special access provides viable alternatives to collocation**
- **Concentration is not designed to provide CLEC specific loop transport**
- **It is entirely unrealistic to expect Verizon to build a concentration infrastructure to transport CLEC loops.**
- **CLECs can deploy their own concentration equipment**